GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1314
ANSWERED ON:26.11.2009
SETTING UP OF ULTRA MEGA STEEL PROJECTS
Kodikunnil Shri Suresh

Will the Minister of STEEL be pleased to state:

(a) whether the Union Government has received a large number of representations for setting up of Ultra Mega Steel Plants on the concept of Ultra Mega Power Plants;

(b) if so, the details thereof and the action taken by the Union Government thereon;

(c) whether some foreign and private sector companies have evinced interest for setting up of steel factories in the country;

(d) if so, the details thereof; and

(e) the response of the Government thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

(a) Yes Madam. Representations from Honb'le Shri C. Ramchandriah, MP, Rajya Sabha and Shri Dhram Pal Sabharwal, MP, Rajya Sabha as well as some of the steel companies have been received in the Ministry of Steel regarding Ultra Mega Steel Project.

(b) The issue of Mega Steel Projects was discussed in Inter Ministerial Group meeting on 25.08.2009 and it was decided by the Committee that, the views of all the concerned in the steel sector and association should be obtained. Some of the steel companies have submitted their views on the proposal and comments from others are awaited.

(c)&(d) The details of foreign and major private sector companies intending to set up integrated steel plants in the country are given below:-

(In Million tonnes per annum)

S. No.	Company	Project/State	Present capacity	Total proposed capacity
i	POSCO India Pvt. Ltd.	Jagatsinghpur, Orissa	-	12.00
ii	Arcellor Mittal Ltd.	Keonjhar,Orissa	-	12.00
		Jharkhand	-	12.00
iii	Tata Steel Ltd.	Jameshdpur, Jharkhand	6.8	10.0
		Kalinganagar, Orissa	-	6.0

	Bastar, Chhattisgarh	-	5.5
	Saraikela, Jharkhand	-	12.0
iv Essar Steel Ltd.	Hazira,Gujarat	4.6	8.5
	Paradeep,Orissa	-	6.0
	Dantewada, Chhattisgarh	-	3.0
	Chaibasa, Jharkhand	-	3.0
v JSW Steel Ltd.	Vijayanagar, Karnataka	3.8	10.0
	Salem, Tamil Nadu	1.0	-
	Salboni, West Bengal	-	10.0
	Nimidih, Jharkhand	-	10.0
vi Jindal Steel & Power Ltd.	Raigarh, Chhattisgarh	3.0	6.0
	Angul,Orissa	-	12.5
	Patratu, Jharkhand	-	8.0
vii Ispat Industries Ltd.	Dolvi, Maharashtra	3.0	5.4
	Jharkhand	-	2.8
	Karnataka	-	2.8

(e) According to the New Industrial Policy announced in July, 1991, steel industry has been de-licensed and removed from the list of industries reserved for the public sector subject to certain locational restrictions. No industrial licence is, therefore, required for setting up steel plants under the Industrial (Development & Regulation) Act, 1951 and the entrepreneurs are free to set up such plants anywhere in the country except in the restricted locations based on their commercial judgement. The Government in such a market set-up has the role of a facilitator only − it provides the overall policy environment to promote industry growth. However, keeping in view the importance of their implementation of major steel projects in the country, an Inter Ministerial Group (IMG) has been constituted in the Ministry of Steel, to monitor and coordinate major steel investment in the country. The Inter Ministerial Group functions under the Chairmanship of Secretary (Steel) with members from various Central Ministries / Departments, such as Railways, Road Transport & Highways, Shipping, Industrial Policy & Promotion, Mines, Environment & Forest and the concerned State Governments.